

CATALOGUE No.

62-003

MONTHLY

DOMINION BUREAU OF STATISTICS

OTTAWA - CANADA

Published by Authority of the Honourable George Hees, Minister of Trade and Commerce

No. 12

Price: \$1.00 per year

INDEX NUMBERS OF FARM PRICES OF AGRICULTURAL PRODUCTS
(1935-39=100)

DECEMBER 1962

The index of farm prices of agricultural products is estimated at 253.6 for the month of December 1962, less than one point below the revised estimate of 254.4 for the previous month, but 5.2 points above the revised figure of 248.4 points for December 1961. Between November and December of 1962, prices were higher for potatoes, but lower for livestock and eggs. The index has been revised for the period August 1961 to July 1962 to take into account the recently announced final payment of 30.2 cents per bushel on the 1961 barley crop.

Index Numbers of Farm Prices of Agricultural Products(1)
(1935-39=100)

	Monthly index			Annual index		
	Dec. (2) 1962	Nov. (2) 1962	Dec. (3) 1961	1962 (4)	1961 (5)	1960
Prince Edward Island	201.1	194.0	176.7	196.2	197.7	265.0
Nova Scotia	242.8	234.2	223.4	231.3	225.4	238.0
New Brunswick	211.6	207.1	200.3	215.3	220.4	264.7
Quebec	277.8	275.7	273.3	273.5	274.4	273.6
Ontario	279.5	282.3	264.7	273.3	265.2	264.3
Manitoba	242.5	242.8	249.4	249.5	250.7	241.2
Saskatchewan	218.3	219.4	222.5	223.6	234.2	224.6
Alberta	242.5	243.4	240.1	245.8	250.8	239.0
British Columbia ...	289.3	293.0	281.0	287.8	276.2	271.4
Canada	253.6	254.4	248.4	253.3	253.8	250.0

(1) Excludes Newfoundland.

(2) Based on initial prices only for wheat, oats and barley in Manitoba, Saskatchewan and Alberta.

(3) For Manitoba, Saskatchewan and Alberta the index is based on final prices for oats and barley and initial price for wheat.

(4) For Manitoba, Saskatchewan and Alberta the index is based on initial price for wheat and final prices for oats and barley for the period January to July inclusive. For the remainder of the year the prices are initial prices only for wheat, oats and barley.

(5) For Manitoba, Saskatchewan and Alberta the index is based on initial price for wheat and final prices for oats and barley for the period August to December inclusive. For the remaining months, the prices used for these three grains are final prices.

Prepared in Farm Finance Section, Agriculture Division

February 1963

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In comparing current index numbers with those prior to August 1961, the following points should be considered. Prices of all western grains used in the construction of the index prior to August 1, 1961 are final prices. From August 1, 1961 to July 31, 1962, the western grain prices used in the index are final prices for oats and barley and initial price for wheat. Since August 1, 1962 initial prices only are available for these three grains. Any subsequent participation payments will be added to the prices currently used and the index revised upward accordingly. An increase of 10 cents per bushel in the prices of western wheat, oats or barley would result in upward revisions in the indexes for each of the Prairie Provinces and Canada approximately as follows, in points.

	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Alberta</u>	<u>Canada</u>
Wheat	6.2	9.3	8.1	4.0
Oats	1.0	1.1	1.2	0.5
Barley	2.3	0.5	0.4	0.4

For the period August 1961 to date the initial prices to western producers at Fort William - Port Arthur are on the basis of \$1.50 per bushel for No. 1 Northern wheat, 60 cents per bushel for No. 2 C.W. oats, and 96 cents per bushel for No. 3 C.W. six-row barley. In addition to the payments made at the time of delivery, producer certificates are issued to the grower covering quantities and grades delivered. These certificates entitle producers to share in any surpluses accumulated by the Canadian Wheat Board through the sale of these grains delivered to the Board. Any participation payments made on these grains at a later date will be added to the prices currently used in the price index and the index revised upward accordingly.

Most of the price information used in compiling the index is obtained from reports furnished monthly by volunteer farm correspondents throughout Canada. The prices used in computing the index are, as closely as can be determined, the prices which are actually received by the farmers at the farm level. Subsidies, bonuses and premiums which can be attributed to specific products are all included in the prices, whereas storage, transportation, processing and handling charges which are not actually received by farmers are excluded. Deficiency payments made under the provisions of the present prices support program are not included because the index at the present time purports to measure changes in market prices. In reporting prices to the Bureau each month, price correspondents are asked to report the average prices prevailing in their neighbourhood, taking into account the various grades of each commodity marketed. Thus, average prices reported by these correspondents may differ from month to month as a result of changes in price, changes in quality marketed or a combination of both. In effect, this index is not a measure of pure price change but a measure of the change in returns to farmers per unit of product marketed.

The prices of wheat, oats, barley and flaxseed contain all Canadian Wheat Board payments announced to date, including the final payment of 30.2 cents per bushel paid on the 1961 barley crop. All payments of this kind are included in the year in which earned not in the year in which paid.

In compiling the index, the fixed base weighted aggregative method has been used. Each commodity has been weighted by the annual average amounts sold in the five-year base period 1935-39. No adjustments for seasonal variations of the prices have been made. The index is based on prices for about 50 farm products which contributed approximately 90 per cent of the total cash income received by farmers from the sale of farm products, during the base period. The series is subject to revisions as more complete and up-to-date data become available. This accounts for any changes between the indexes published in earlier reports and those appearing in the current publication.

Index Numbers of Farm Prices of Agricultural Products(1)
(1935-39=100)

	Canada	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
1951	296.8	236.4	243.2	250.8	305.6	315.0	301.6	268.7	308.0	287.1
1952	274.4	351.6	275.1	344.5	290.2	286.2	266.8	245.9	265.3	291.4
1953	250.4	191.5	234.8	213.2	272.1	263.8	245.3	228.7	247.8	265.7
1954	236.8	196.1	230.2	211.8	264.3	252.8	227.5	208.7	232.4	249.6
1955	232.7	220.6	220.0	226.0	261.7	249.2	225.6	203.5	223.2	248.5
1956	234.6	240.1	208.7	235.1	258.8	250.5	227.0	208.5	224.0	256.9
1957	234.2	197.0	212.6	219.4	264.8	255.4	222.4	201.6	223.6	260.2
1958	245.5	203.4	216.8	227.0	274.8	266.5	236.6	214.5	236.4	263.2
1959	247.4	234.4	227.3	239.5	272.7	264.2	240.6	218.6	239.6	265.5
1960	250.0	265.0	238.0	264.7	273.6	264.3	241.2	224.6	239.0	271.4
1961 January	261.3	218.9	225.6	235.1	282.3	270.0	256.7	244.7	260.7	278.0
February ...	262.1	214.5	228.8	232.3	283.8	270.9	256.4	245.1	262.8	275.6
March	259.8	201.0	226.2	227.9	278.2	267.7	256.7	244.4	261.3	274.6
April	255.6	209.5	225.3	226.1	268.4	261.4	254.4	242.4	259.1	272.5
May	254.5	187.9	222.7	222.1	267.1	262.5	252.2	240.7	257.8	270.6
June	256.9	221.0	230.7	235.8	274.0	265.0	252.3	240.1	257.9	273.4
July	256.9	202.5	226.9	226.6	274.7	266.6	252.2	240.2	257.0	273.5
August	246.1	212.4	223.8	228.1	270.3	259.6	242.3	224.6	236.0	270.1
September ..	248.8	186.8	225.6	207.1	272.9	264.0	245.3	224.4	241.3	281.2
October	247.4	172.4	221.8	203.0	272.2	264.7	246.1	219.8	239.5	282.9
November ...	247.3	169.3	223.4	200.8	275.1	265.1	244.6	221.2	236.5	281.1
December ...	248.4	176.7	223.4	200.3	273.3	264.7	249.4	222.5	240.1	281.0
AVERAGE	253.8	197.7	225.4	220.4	274.4	265.2	250.7	234.2	250.8	276.2
1962 January	248.7	176.5	226.0	201.9	273.8	265.1	248.6	222.6	239.8	282.1
February ...	247.7	172.0	224.8	201.8	273.8	262.4	249.5	222.7	239.2	279.9
March	247.7	176.1	221.9	205.5	271.5	262.2	250.3	222.6	240.4	281.0
April	248.1	168.3	224.9	199.0	267.6	263.3	250.2	223.4	243.1	281.6
May	249.9	189.4	224.8	201.8	267.3	264.6	251.6	225.1	246.2	282.6
June	254.8	195.0	226.4	218.6	272.1	271.9	255.2	226.8	250.5	287.0
July	259.8	211.6	236.0	236.3	275.9	278.5	257.8	230.2	254.2	292.3
August	262.3	264.0	243.5	259.7	279.4	284.2	251.4	228.6	254.5	294.8
September ..	257.2	197.1	235.7	218.3	272.2	282.0	248.7	223.5	251.7	294.8
October	255.7	208.8	234.2	222.5	274.5	283.1	245.5	220.4	244.1	295.7
November ...	254.4	194.0	234.2	207.1	275.7	282.3	242.8	219.4	243.4	293.0
December ...	253.6	201.1	242.8	211.6	277.8	279.5	242.5	218.3	242.5	289.3
AVERAGE	253.3	196.2	231.3	215.3	273.5	273.3	249.5	223.6	245.8	287.8

(1) Excludes Newfoundland.

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